VZCZCXRO2526 OO RUEHCHI RUEHDT RUEHHM RUEHNH DE RUEHGO #0192/02 0720939 ZNY CCCCC ZZH O 120939Z MAR 08 FM AMEMBASSY RANGOON TO RUEHC/SECSTATE WASHDC IMMEDIATE 7294 INFO RUCNASE/ASEAN MEMBER COLLECTIVE RUEHBY/AMEMBASSY CANBERRA 0993 RUEHBJ/AMEMBASSY BEIJING 1783 RUEHKA/AMEMBASSY DHAKA 4795 RUEHNE/AMEMBASSY NEW DELHI 4545 RUEHUL/AMEMBASSY SEOUL 8084 RUEHKO/AMEMBASSY TOKYO 5645 RUEHCN/AMCONSUL CHENGDU 1389 RUEHCHI/AMCONSUL CHIANG MAI 1458 RUEHCI/AMCONSUL KOLKATA 0247 RUEATRS/DEPT OF TREASURY WASHDC RUEHGV/USMISSION GENEVA 3570 RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUCNDT/USMISSION USUN NEW YORK 1408 RUEHBS/USEU BRUSSELS

C O N F I D E N T I A L SECTION 02 OF 02 RANGOON 000192

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TAGS: ECON PREL PGOV EAIR CASC ASEC BM SUBJECT: AIR BAGAN SAFETY ISSUES UNCOVERED

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prioritize safety issues. Additionally, the experts found that while Air Bagan had the proper operations manuals, the staff were not applying proper operations procedures during and before flights.

--Safety - In addition to failing to report and document all air incidents, the experts noted that Air Bagan did not have a functional safety management system. They found neither monitoring or oversight of corrective actions for air incidents nor any recommendations on how to prevent safety incidents. Immediately prior to the assessment, Air Bagan had two safety incidents on November 3 involving two ATRs - one plane had propeller problems that forced the plane to return to Rangoon, while the other had a landing gear malfunction during takeoff. Between November 3 and November 14, Air Bagan officials did not report the incidents to the Civil Aviation authorities and failed to properly document the incident and any actions taken.

--Maintenance - The experts found that Air Bagan did not have an approved Maintenance Organization Certificate. According to Civil Aviation authorities, Air Bagan can conduct line and base maintenance for all ATR planes, but only line maintenance for the Fokker 100 and A310s. The experts could not confirm that all 130 maintenance staff were qualified to work on these planes. Additionally, Air Bagan staff admitted to the assessment team that obtaining spare parts had become more difficult due to sanctions.

14. (C) The assessment team presented Air Bagan with its findings, and Air Bagan staff noted they were working to resolve many of the issues. The Total aviation assessment team found no problems with Air Mandalay, Yangon Air, and Myanmar Airways International's operations.

Embassy Recommendations

- 15. (C) Based on the information in Reftel, Embassy Rangoon submitted on March 5 to CA a revised Country Specific Information Sheet describing the February 19 Air Bagan crash and their poor safety issues. On March 12, Post further revised it to recommend against flying both Air Bagan and state-owned Myanmar Airways due to serious concerns regarding the airlines' ability to maintain their airplanes. We also plan to revise our country clearance information to include language recommending travelers not fly with Air Bagan when traveling to Rangoon from Bangkok.
- 16. (C) In addition, we sent a diplomatic note to the Ministry of Foreign Affairs and the Ministry of Transport on March 12, highlighting our concerns regarding the safety and government oversight of air carriers. We requested a meeting with the Minister of Transport to discuss our concerns. VILLAROSA